

The Analysis of the Factors That Influence the Purchase of Sports Brands by Chinese College Students

Jiayi Qin^{1,a,*}

¹Capital University of Physical Education and Sports, No.11, North Third Ring West Road, Haidian District, Beijing, China, 100091

a. ryanryan0304@qq.com

**corresponding author*

Abstract: Sports have been thriving in China since the two Olympic Games were held in Beijing, notably with the growing prominence of Chinese college students in the global sports consumption market. Currently, there is still a dearth of research on the factors that affect consumption in this population. This study investigated the classic international sports brands represented by Nike and the local new sports brands represented by Li-Ning. The author uses the 4P, STP, and SWOT analysis methods in management to clarify the purchase motives of Chinese college students for sports brands. The results of the interviews revealed that Chinese college students take many factors into consideration when choosing sports brands, such as cost performance, comfort, style design, brand effect, celebrity endorsement, etc; most of the students thought that cost performance and comfort were the key factors; Chinese brand Li-Ning and American brand Nike were widely welcomed among Chinese college students due to their high-cost performance, higher comfort, superior appearance design and other advantages.

Keywords: sports brand, Chinese college students, consumer market, Nike, Li-Ning

1. Introduction

College students have gradually become major consumers in the sports market due to the acceleration of globalization and the market economy, the emergence of different sports brands and the overall improvement in consumption ability. Clarifying the drivers influencing the group's consumption from the perspective of users is conducive to the timely adjustment of the market positioning of sports brands and the growth of college students' participation in the sports market. Firstly, the author analyzed the current situation of sports brand consumption and brand preference of Chinese college students as well as developed hypotheses through existing materials and information. Secondly, the author interviewed 10 Chinese college students to explore the potential driving forces behind their purchases of sports brands. The study aims to advance pertinent studies of the sports brand consumer market, and provide a reference for sports brand marketing initiatives.

2. China's Sports Consumption Market

Driven by the upsurge of nationwide fitness programs and the Healthy China Initiative, the population of sports fitness in China has soared in recent years, and the consumer demand has increased. The

Chinese sports consumption market has been growing, with the young Chinese group represented by college students being the major consumer group today.

2.1. Hot-selling Sports Brands

China's sports consumption market is now witnessing a diversified development trend. On the one hand, products of international first-line consumer brands represented by Nike and Adidas are popular all over the world with a massive production scale, including clothing, footwear, sports equipment, etc [1]. On the other hand, some well-known local sports brands represented by Li-Ning, Anta and Tebu, have already built a huge retail distribution channel market and supply chain management system and developed e-commerce with excellent brand marketing design, manufacturing, distribution and sales capabilities, despite having a relatively short history of development. The international popularity of domestic sports brands has been further enhanced since the Beijing Olympic Games [2].

The author investigated the popular sports brands Nike (America) and Li-Ning (China) using 4P and SWOT analysis methods in this part.

Table 1: The comparison between Nike and Li-Ning through the 4Ps analysis.

Brand	Product	Price	Promotion	Place
Nike	Cutting-edge sports products Sports shoes patent [3] Fashionable appearance Diversified products	Be more expensive in China or other countries Be affordable in America	Grow to the mass market for ordinary consumers from the athlete-exclusive shoe market Foster brand loyalty via idol worship Utilize animation and computer games to approach teenagers and children Emphasize self-awareness and value to win women's heart	Be not directly engaged in retail and wholesale Product business online and offline selling
Li-Ning	Fantastic look Wide usability	Excellent cost performance The best choice among products at the same price	Sponsor events Collaborate with online celebrity players and professional athletes to jointly design products	Online shopping Stores at home and abroad Different purchasing methods for online and offline shopping

The series that Nike introduced has its own distinctive features. Nike is more expensive than Li-Ning, and its marketing tactics are more diversified. Both use the online and offline modes simultaneously. Overall, Nike's product marketing strategy is more mature.

Table 2: The comparison between Nike and Li-Ning through the SWOT analysis.

Brand	Strengths	Weaknesses	Opportunities	Threats
Nike	High brand awareness; High customer loyalty; High market response capacity; Great financial position; Strong R & D team; Good corporate image; Powerful marketing network;	The diversified operation started late; Lack women's clothing, sandals and slippers; Product factories in the far east region suffering from disasters and the impact of the financial crisis;	The rise of people's health consciousness; Income increases in populous countries and regions, such as Asia;	Intense domestic and foreign business rivalry The US economy has seen slow growth, a recession, and the threat of war; Changes in the consumer preferences of the young; Fluctuations in foreign currency exchange rates and interest rates; Inflation and the financial crisis in Asia and the far east; The adverse effects of import and export regulations;
Li-Ning	Excellent resources and brand awareness; Ideal management system; High cost-effectiveness; Sponsor of sporting events and teams; relatively localized supply chain	Inaccurate market positioning; cheap products are very impressive; poor brand promotion;	Enhance the communication between consumers and the company; Assume social responsibility;	Vigorous development of existing international and domestic sports brands; The updated public relations policy;

Nike made a \$400 million investment in R&D as early as 1981 [4]. Nike has unrivaled advantages in terms of consumer loyalty and market reaction due to its patented revolutionary goods. With the rise of people's health consciousness and the increase of per capita income in Asia and other countries and regions, Nike still has great development potential in the future. The fierce competition from similar brands at home and abroad, fluctuations in foreign currency rates, price inflation in Asian factories, and financial crises are the greatest threats to Nike. For instance, Nike's extensive supply chain in various nations entails more external risks than Li-Ning's relatively local and stable supply chain.

2.2. Popular Sports Brands

The author investigated the consumer market for the hot-selling sports brands Nike (US) and Li-Ning (China) using the STP analysis method in this part.

Table 3: The comparison between Nike and Li-Ning through the STP analysis.

Brand	Segmenting	Targeting	Positioning
Nike	Young people who love sports and pursue fashion; White-collar workers with incomes; Sports enthusiasts with different incomes, from different groups and at different professional levels;	Young people who have a passion for sports and fashion; Middle-and high-income people keen on sports	Nike's advantage lies in its R&D investment and brand recognition in terms of the positioning of its core competitive advantage;
Li-Ning	Male students between the ages of 14-25 years old	Sports brand for the youth;	The company occupies a significant position in the middle and high-end Chinese sports goods market, and is progressively entering the high-end market.

The average price of Nike is around RMB 1,000, which has a specific threshold for consumers. Li-Ning is more appropriate for young people, whereas Nike's customer groups often have greater requirements for products. Additionally, Nike enjoys more advantages and popularity in the international market than Li-Ning.

3. The Influencing Factors of the Purchase

3.1. Consumer Group Characteristics of Chinese College Students

As a major consumer group in the sports market, Chinese college students' consumption behavior is influenced by the emerging online consumption culture [5]. According to a survey released by iiMedia Research in July 2021, the annual consumption scale of Chinese college students is anticipated to exceed RMB 700 billion in 2021, with enormous consumption potential [6].

High price-sensitive consumption. Chinese college students prioritize quality and are relatively sensitive to price, and they tend to choose cost-effective products and consumption methods. More than 60% of the surveyed college students by iiMedia Research mainly prioritize quality and price when shopping, while more than 40% will focus on promotional activities and brand recognition [5].

Premature consumption. Excessive consumption is the primary factor causing campus loans, as well as one of the fundamental factors affecting consumption habits [7]. With the popularity of various small loan services such as Huabei on the Alipay platform, college students' excessive consumption is becoming increasingly prevalent today. According to iiMedia Research, 54.9% of college students prefer premature consumption, and 11.9% of them have the habit of excessive consumption. Nearly 40% of the college students who engage in excessive consumption spend RMB 500-1,000 impulsively per month.

Image consumption. The consumption concept of college students has evolved with the change in the social environment over time, and the current consumption behavior often highlights their personality and self-pursuit[8], thus the image consumption of many college students has increased significantly. One survey of iiMedia Research demonstrates that more than 70% of the college students spend more than RMB 500 on clothing every semester, of which "RMB 500-1,000" accounts for 37.1%, and "more than RMB 5,000" accounts for only 1% [5].

3.2. The Factors That Influence Chinese College Students' Purchase of Sports Brands

3.2.1. Research Method

The research adopted the interview and the purposive sampling method with a sample of Chinese college students. The author recruited interviewees in the community on September 17, 2022, and examined the influencing factors of their purchase of sports brands through interviews.

There are 10 participants in total, including 5 males and 5 females (listed in numerical order, beginning with "A"). See Table 4 for details.

Table 4: Basic information of respondents.

Number	Gender	Grade	Is your major related to sports	Monthly living expenses range	Frequency of buying sports products
A1	male	sophomore	yes	1,000-2,000	3-4 months
A2	male	junior	no	3,000	1 month to 2 months
A3	female	sophomore	yes	2,000	6 months
A4	male	freshman	yes	2,000	4-5 months
A5	female	sophomore	no	2,500-3,000	2 months
A6	female	senior	no	20,000-40,000	2-3 months
A7	female	sophomore	yes	3,000	5 months
A8	male	junior	yes	4,000-5,000	5-6 months
A9	male	sophomore	yes	10,000-20,000	1 month to 2 months
A10	female	freshman	no	5,000	5-6 months

3.2.2. Research Design

Based on a review and summary of the available literature, the author designed the interview questions as follows:

What is your gender?

What is your grade?

Is your major related to sports?

What is your monthly living expenses range?

Which kind of sports brands—domestic or foreign—do you prefer? Why?

List your top three favorite sports brands. Why do you like them?

What channels do you usually use to get information about sports brands?

How often do you buy sports brand products? Why?

What price range do you purchase sports brand products in?

What factor will you prioritize when you buy a sports brand product? Why?

Which of the following features of sports brand products most appeals to you: cost performance, comfort, style design, brand effect and celebrity endorsement? Why?

When do you usually buy sports products? Why?

The author prepared 12 questions in advance for the interview. Due to the constraints of face-to-face contact in the context of COVID-19, the author's interviews were all conducted through one-to-one chat through the voice or text chat function of the online instant chat tools QQ and WeChat. After obtaining the consent of the interviewees, the author recorded or typed the whole chat content. Following the interview, the author sorted out and summarized the chat texts and audio recordings to offer concise and accurate responses to all the questions.

4. Conclusion

The main results were as follows:

Most of the participants believe that cost performance and comfort are the most important considerations, one possible explanation for this is that the interviewees are college students, with monthly living expenses ranging from RMB 2,000-3,000 (or RMB 10,000 for a few students). With the majority of sports brands being used for exercise (mostly in class or occasionally exercise), as well as the average purchase frequency of 3-4 months, cost performance and comfort are their top priorities.

Chinese brand Li-Ning is popular among Chinese male college students because of its high-cost performance and certain comfort advantages. Additionally, Li-Ning has also experienced a rapid rise in recent years due to its use of web celebrities' selling goods, and endorsements, as well as new technologies in its products, such as "Li-Ning bow", "Cushion" and other core technologies [9]. Furthermore, it has opened up a significant number of offline stores and online purchase channels. Li-Ning has emphasized ingenious design, incorporates a variety of cultures to increase the buyer's cultural identity, and combined with the public's preference to increase the buyer's sense of affinity in terms of the appearance and interior. The Nike brand in the United States relies more on its strong brand influence, celebrity endorsement, and its new and updated technology and superior appearance [10]. However, due to its relatively high price in China, and its products' poor compatibility with Chinese body size/foot type, the purchase rate was relatively low among the male participants. The female respondents were more willing to pay for brands, celebrity endorsements and appearance, and they prefer brands like Lululemon, Nike, and FILA. These brands focus on the development of women's sports groups as well as diversified designs. Combined with women's sports style and needs, they try to design popular sports products for women according to women's body shape (foot type) and women's consumer psychology, taking into account the star effect simultaneously. There are both similarities and differences when comparing male and female respondents. Future sports brands are suggested to take into account a better combination of the two for the market of Chinese college students.

Chinese college students would take several factors into account when buying sports brands including high-cost performance, the comfort level of sports products (fabric material, performance, etc.), appearance design, celebrity endorsement, and brand effect. The influencing factors are more in the product itself. At the same time, the research in this paper also has some limitations. Only 10 college students were randomly selected as samples in this interview, and the investigation intensity and coverage are not large. In future research, we can also increase the number of samples and interview questions and increase the scope of data and the accuracy of research to a greater extent.

References

- [1] He, C. (2016). *The financial strategy research under the asset-light business model for NIKE company* [Master's thesis, Beijing Forestry University]. <https://kns.cnki.net/KCMS/detail/detail.aspx?dbname=CMFD201701&filename=1016145562.nh>
- [2] Huang, L. (2014). *The thinking trap of Chinese sports goods industry development—Enlightenment from the Li Ning brand dilemma*. *Journal of Sports and Science*, 1, 97-103. <https://doi.org/10.13598/j.issn1004-4590.2014.01.018>
- [3] Ming, Y., & Si, H. (2013). *Research on Nike Sports Shoes Patent R&D Technology Innovation Team Network Architecture*. *China Sport Science*, 2, 92-97. <https://doi.org/10.16469/j.css.2013.02.001>
- [4] Wang, L., & Si, H. (2014). *Leading the future development of the industry with technological innovation—Analysis of patent literature and information on Nike*. *Journal of Beijing Sport University*, 8, 12-18. <https://doi.org/10.19582/j.cnki.11-3785/g8.2014.08.003>
- [5] Liu, S. (2022). *Research on the impact of emerging online consumption culture on college students' consumption concept and behavior*. *China Journal of Commerce*, 10, 31-33. <https://doi.org/10.19699/j.cnki.issn2096-0298.2022.10.031>

- [6] iiMedia Research. (September 17, 2022). *Research and Analysis Report on Consumption Behavior of Chinese College Students in 2021*. Retrieved from <https://www.iimedia.cn/c400/79943.html>
- [7] He, Y., Lu, L., & Qi, C. (2019). *The factor analysis and countermeasure research of Chinese college students' campus loans from the perspective of consumption view*. *Reform and Opening*, 8, 73-78. <https://doi.org/10.16653/j.cnki.32-1034/f.2019.008.028>
- [8] Wu, L. (2019). *Research on female college students' image consumption [master's thesis, Zhengzhou University]*. <https://kns.cnki.net/KCMS/detail/detail.aspx?dbname=CMFD201902&filename=1019131083.nh>
- [9] Ni, Y. (2019) *Research on China's Sports Brand Marketing Strategy [Master's Thesis, Central China Normal University]*. <https://kns.cnki.net/KCMS/detail/detail.aspx?dbname=CMFD201902&filename=1019211424.nh>
- [10] Yang, B. (2012) *Comparative Study on Creative Strategies of Chinese and Foreign Sports Brands [Master's Thesis, Shanxi University]*. <https://kns.cnki.net/KCMS/detail/detail.aspx?dbname=CMFD2012&filename=1012412384.nh>